Executive Summary Outmigration Conference Louisiana Department of Labor January 9, 2001

On January 9, 2001, Secretary of Labor Garey Forster convened a conference to consider the causes and effects of population outmigration from Louisiana. Over 100 state leaders from business, higher education, government, chambers of commerce, the legislature, and economic development attended, including 13 legislators, 18 LDOL staff, four UNO staff, and 11 speakers. Secretary Forster served as conference moderator. In his remarks, Secretary Forster warned of a shortage of skilled and experienced workers. The conference was convened to highlight possible solutions to the consequences of low population growth caused in part by outmigration.

National Experts:

- 1. Harold Hodgkinson, Director, Center for Demographic Policy, provided data on the characteristics of those in the U.S. who move each year:
 - Most movers stay within the same county.
 - Approximately 10 million change states.
 - Movers are most likely to be young and renters.
 - Over half of all moves stem from corporate or military relocations.

The results of such moves ended in a negative "domestic net" for Louisiana during 1990-1998, one of 19 such states. Hodgkinson detailed several characteristics of the Louisiana condition contributing to the population loss: high level of child poverty, high rate of crime, environmental problems, low income, and public attitudes. He further suggested that attracting new residents would require jobs, a good business climate, and safe communities.

- 2. Brad Edmondson, Senior Fellow, The Center for the New West, put the outmigration statistics in perspective by highlighting Louisiana's positives, e.g., 70% of residents were born in the state, the second highest in the U.S. Among the various states, Louisiana's loss was not the highest in percentage terms or in absolute numbers. Nevertheless, problems exist:
 - Economic progress is slow and unevenly distributed.
 - The Louisiana population is aging (along with the rest of the country).
 - The increasing diversity of the U.S. provides vitality and population growth, but Louisiana participates less than other states. Immigration is low.
 - The growth engine of the U.S. is the knowledge economy. Louisiana has not benefited as much as other states.

Edmondson detailed policies necessary to attract more inmigration and to bolster the economy, including: strong home towns, participation in the knowledge economy, prevention programs in areas of crime and health, and promotion of high levels of education.

State Experts:

- 1. Karen Patterson, Louisiana State Demographer, provided the basic data from the 2000 census. Louisiana's population growth lags behind the U.S. as a whole and is approximately one-third of the South's rate, although the state exceeded estimates. The non-Hispanic white population is in decline, and the index of dependency (youth to elderly) is 15th in the country. Various quality of life statistics do not reflect well on Louisiana.
- 2. Timothy Ryan, Dean, College of Business of the University of New Orleans, emphasized the role of the economy in decisions of Louisiana residents to stay or leave. Highest outmigration rates track economic growth/decline, whether in metropolitan or non-metropolitan areas. Louisiana lags in employment growth in the South, though 1990-99 growth is slightly higher than the U.S. as a whole. The New Orleans rate of employment growth is particularly anemic compared to other southern metropolitan areas.
- 3. Loren Scott, LSU Economics Professor Emeritus, focused on the aging of the baby boomers and the subsequent "echo" of population growth. Louisiana's population lags in part because many children of the boomer generation have moved from Louisiana and because fertility rates among non-Hispanic whites have declined. Dr. Scott also emphasized the effects of the state's oil and gas industry on population.

- 4. Susan Beal, Director, Business Research, LSU-Shreveport, reported on the economy of the state's northwest region. In the Shreveport area, building I-49 resulted in a commercial construction boom for retailers and duplication of retailers locating near the interstate. Change in forced heirship laws has increased the size of the retirement community, and the area has become the health care hub for northern Louisiana. There are also several large manufacturers but Shreveport now competes with Texas to retain them. It has an ideal distribution hub of interstate/roads, rail, port and airport. High tech talent leaves the area because they cannot find the jobs they want.
- 5. Jerry Wall, Director, LEAP, University of Louisiana-Monroe, focused on developments and prospects for the northeast section of the state. Agriculture was a mainstay in northern Louisiana during the 1960-70's. Jobs then moved to metropolitan areas due to the oil and gas bust and decline of high value commercial crops. Current migration to suburbs is because of attractive low interest rates, greater income, better schools, and lack of confidence in local government. University of Louisiana-Monroe cannot retain its graduates who make more money than their professors if they leave the area. The growing sectors (banks, insurance, communications) do not offer jobs requiring 4-year college degrees. There are no jobs for college graduates. The message is that "Louisiana does not value education or educated people."

Legislative Perspective:

Sen. Chris Ullo -- promote accountability in schools; sustain LEAP test; improve public image.

Rep. Jerry LeBlanc -- build your foundation on education; devise strategic plan for economic diversification; implement Vision 2020 in manageable steps; enhance local commitment.

Rep. Charles Lancaster -- concerned that educated population is leaving; consider downsizing government.

Rep. Bryant Hammett -- need jobs for the educated citizens; get out of "survival mode."

Sen. Tom Schedler-- recognize impacts of roads on economic development; sustain K-3 intervention programs; nurture local companies; attract pharmaceutical companies.

Rep. Ernie Alexander-- "Economic development and education go hand in hand;" retain "the best and the brightest from the state of Louisiana."

Rep. Shirley Bowler -- remove barriers to entrepreneurship; promote competition, e.g., the Internet; "Leave to the private marketplace what they do best and to business what it does best."

Rep. Edwin Murray -- grow local companies; incoming industries use up resources and move on.

Rep. "Peppi" Bruneau -- concerned with tax implications of outmigration as well as impact of military downsizing; emphasized road infrastructure; "good jobs follow good roads."

Higher Education Perspective:

- President William Jenkins, LSU System -- Louisiana products leave with little value added, e.g., agriculture, coastal catches; avoid becoming a colony of the United States; keep best and brightest in the state and attract the best students from out of state (the same applies for attracting/retaining faculty); recognize impact of technology (e.g., Blacksburg, VA); universities should spawn companies but must also be responsible for preservation of culture, music, art.
- President Bobby Jindal, University of Louisiana System -- pick one or two factors to measure over time (e.g., population education attainment and retention of graduates in the state); make it as easy as possible for students to obtain the appropriate post-secondary opportunity and as easy as possible for them to succeed; reach out to underserved populations; offer courses when and where needed; provide relevant and applied research for Louisiana companies tied to local needs partner with companies to train and EMPLOY locally.
- President Leon Tarver, Southern University System -- "What is it that the people of Louisiana really want and how do we find that out;" mobilize the collective resources of this state to improve the quality of life for all people; education is the bedrock of the foundation for improvement; strive to be among top 10 states in America; don't be content to be 44th.
- Commissioner "TJ" Savoie, Louisiana Board of Regents -- "Education and economic development are inextricably linked; education is about building people's capacity to be productive, and economic development is about being productive."
- Chancellor William J. Roden, Louisiana Technical College -- work on articulation models for students for 2-year degrees to 4-year colleges; LTC should be an escalator for education; use education as a retention tool for employers.

Highlights of Conference Recommendations:

Align Louisiana to catch the wave of information technology jobs.

Align state policies to attract retirees (especially "young" retirees), young workers, teachers, and high technology workers.

Refocus state policies toward the improvement of childhood quality of life.

Identify and sustain local planning and economic development leadership with special attention to the needs of rural areas.

Align state tax, regulatory, and economic development policies to take advantage of global linkages.

Grow local businesses instead of chasing "golden eggs" that probably won't relocate.

Improve road infrastructure.

Encourage entrepreneurship; remove regulatory barriers, and work with local businesses on problems of workforce and finances; more closely link assistance from universities to business.

Restore trust in the legislature and political process.

Establish methods to negotiate swiftly to keep companies within the state.

Sustain long-term investments in all levels of education.

Invest in teacher salaries to reach competitive level; investigate methods of streamlining teacher certification.

Educate parents and community to the value of skilled jobs not requiring 4-year degrees.

Work to bring salaries up to a level sufficient to compete with other states.